the national defense of the United State 19782-00457R001100150009-8 within the meaning of the Espionage Act 50, U.S. 60. 31 and 32, as amended. Its transmission or the revelation of its contents in any manner to an unsuthorized CONFIDENTIAL person is prohibited by law. CENTRAL INTELLIGENCE GROUP INTELLIGENCE REPORT				
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	 On 2 October 1947 Marshal Sokolovsky summoned the German supervisors in the Economic Council to Karlshorst to hear his expression of displeasure. Sokolovsky said, "If the German engineers and inspectors do not succeed in achieving a considerable increase in production very soon, I shall be forced to discharge all these gentlemen and put them to work in another capacity. The deficits reported thus far surpass the figure I had included as a margin of error so that I am forced to report the entire deficit to the ministry. If instances of sabotage continue at the present rate, I shall dissolve the factories concerned and send the workers to the ministry. If order now proposed to me (#234) I shall provide the workers for the last time with exceptionally favorable conditions, but I demand in return corresponding gratitude expressed in increased production. The inspecting teams are responsible to me and to the bureaus created by me for the most rigid compliance with this order; I shall energetically abolish every evasion and bring the culprits to justice. The honor of the Russian Zone demants that it must not fall behind the achievements of the western zones. I further intend to establish observers in the various administrations to check the attitude of the employees toward their work and toward politics and thus to prevent sabotage. The German coeperts here present must immediately acquaint themselves with the political ideology of Soviet Russian history and with the successes of the Russian nation. I have requested Comrade Tulpanov to deliver a weekly lecture for your edification, at which attendance records will be kept. I wish all concerned good luck in their work." 			
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